

109TH CONGRESS
2D SESSION

S. 2229

To provide quality, affordable health care for all Americans.

IN THE SENATE OF THE UNITED STATES

JANUARY 31, 2006

Mr. KENNEDY introduced the following bill; which was read twice and referred
to the Committee on Finance

A BILL

To provide quality, affordable health care for all Americans.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Medicare for All Act”.

6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Medicare for all.

“TITLE XXII—MEDICARE FOR ALL

“Sec. 2201. Description of program.

“Sec. 2202. Eligibility, enrollment, and coverage.

“Sec. 2203. Benefits.

“Sec. 2204. Choice of coverage under private health care delivery systems.

“Sec. 2205. Medicare for All Trust Fund.

“Sec. 2206. Administration.
 Sec. 3. Financing through employment tax.

1 SEC. 2. MEDICARE FOR ALL.

2 (a) ESTABLISHMENT OF PROGRAM.—The Social Se-
 3 curity Act is amended by adding at the end the following:

4 “TITLE XXII—MEDICARE FOR ALL

5 **“SEC. 2201. DESCRIPTION OF PROGRAM.**

6 “The program under this title—

7 “(1) ensures that all Americans have high qual-
 8 ity, affordable health care;

9 “(2) ensures that all Americans have access to
 10 health care as good as their Member of Congress re-
 11 ceives; and

12 “(3) reduces the cost of health care and en-
 13 hances American economic competitiveness in the
 14 global marketplace.

15 **“SEC. 2202. ELIGIBILITY, ENROLLMENT, AND COVERAGE.**

16 “(a) ELIGIBILITY.—

17 “(1) IN GENERAL.—Each eligible individual is
 18 entitled to benefits under the program under this
 19 title.

20 “(2) ELIGIBLE INDIVIDUAL.—

21 “(A) IN GENERAL.—For purposes of this
 22 title, the term ‘eligible individual’ means an in-
 23 dividual who—

24 “(i) is—

1 “(I) a citizen of the United
2 States; or

3 “(II) a person who is lawfully
4 present in the United States; and

5 “(ii) is not eligible for benefits under
6 part A or B of title XVIII.

7 “(B) LAWFULLY PRESENT.—For purposes
8 of subparagraph (A)(i)(II), a person is lawfully
9 present in the United States if such person—

10 “(i) is described in section 431 of
11 Public Law 104–193;

12 “(ii) is described in section 103.12 of
13 title 8, Code of Federal Regulations (as in
14 effect as of the date of enactment of the
15 Medicare for All Act);

16 “(iii) is eligible to apply for employ-
17 ment authorization from the Department
18 of Homeland Security as listed in section
19 274a.12 of title 8, Code of Federal Regula-
20 tions (as in effect as of the date of enact-
21 ment of the Medicare for All Act); or

22 “(iv) is otherwise determined to be
23 lawfully present in the United States under
24 criteria established by the Secretary, in

1 consultation with the Secretary of Home-
2 land Security.

3 “(3) PHASE-IN OF ELIGIBILITY.—Under rules
4 established by the Secretary, eligibility for benefits
5 under this title shall be phased-in as follows:

6 “(A) During the first 5 years the program
7 under this title is in operation, eligible individ-
8 uals who are under 20 years of age or who are
9 over 55 years of age are eligible for such bene-
10 fits.

11 “(B) During the second 5 years the pro-
12 gram under this title is in operation, eligible in-
13 dividuals who are under 30 years of age or who
14 are over 45 years of age are eligible for such
15 benefits.

16 “(C) All eligible individuals are eligible for
17 such benefits beginning with the eleventh year
18 in which the program under this title is in oper-
19 ation.

20 “(b) AUTOMATIC ENROLLMENT.—

21 “(1) IN GENERAL.—The Secretary shall estab-
22 lish a process under which each eligible individual is
23 deemed to be enrolled under the program under this
24 title. Such process shall include the following:

1 “(A) Deemed enrollment of an eligible in-
2 dividual upon birth in the United States.

3 “(B) Enrollment of eligible individuals at
4 the time of immigration into the United States.

5 “(2) ISSUANCE OF CARD.—The Secretary shall
6 provide for issuance of an appropriate card for indi-
7 viduals entitled to benefits under the program under
8 this title. Not later than the sixth year the program
9 under this title is in operation, the Secretary shall
10 ensure that each such card is linked securely, and
11 with strong privacy protections, to an electronic
12 health record for each such individual. In order to
13 accomplish such linkage, the Secretary is authorized
14 to award grants, issue contracts, alter reimburse-
15 ment under the program under this title, or provide
16 such other incentives as are reasonable and nec-
17 essary.

18 “(c) COVERAGE.—

19 “(1) IN GENERAL.—Subject to paragraph (2),
20 the Secretary shall provide for coverage of benefits
21 for items and services furnished on and after the
22 date an individual is entitled to benefits under the
23 program under this title.

24 “(2) INITIAL COVERAGE.—No coverage is avail-
25 able under the program under this title for items

1 and services furnished before the date that is 18
 2 months after the date of the enactment of the Medi-
 3 care For All Act.

4 “(3) EXPIRATION OF COVERAGE.—An individ-
 5 ual’s coverage under the program under this title
 6 shall terminate as of the date the individual is no
 7 longer an eligible individual.

8 “(d) RELATION TO OTHER PROGRAMS.—

9 “(1) CONSTRUCTION.—

10 “(A) CONTINUED OPERATION OF PUBLIC
 11 PROGRAMS.—Nothing in this title shall be con-
 12 strued as requiring (or preventing) an indi-
 13 vidual who is entitled to benefits under the pro-
 14 gram under this title from obtaining benefits
 15 under any other public health care program to
 16 which the individual is entitled, including under
 17 a State Medicaid plan under title XIX, the
 18 State Children’s Health Insurance Program
 19 under title XXI, a health program of the De-
 20 partment of Defense under chapter 55 of title
 21 10, United States Code, a health program of
 22 the Department of Veterans Affairs under
 23 chapter 17 of title 38 of such Code, or a med-
 24 ical care program of the Indian Health Service
 25 or of a tribal organization.

1 “(B) CONTINUED OPERATION OF PRIVATE
 2 HEALTH INSURANCE.—Nothing in this title
 3 shall be construed as preventing an individual
 4 who is entitled to benefits under the program
 5 under this title from obtaining benefits that
 6 supplement or improve the benefits available
 7 under such program from any private health in-
 8 surance plan or policy.

9 “(2) PRIMARY PAYOR; OTHER PUBLIC PRO-
 10 GRAMS PROVIDING WRAP AROUND BENEFITS.—The
 11 program under this title shall be primary payor to
 12 other public health care benefit programs and the
 13 benefits under such other public health care benefit
 14 programs shall supplement the benefits under the
 15 program under this title.

16 **“SEC. 2203. BENEFITS.**

17 “(a) COMPREHENSIVE BENEFIT PACKAGE.—The
 18 Secretary shall provide for benefits under the program
 19 under this title consistent with the following:

20 “(1) MEDICARE FEE-FOR-SERVICE BENEFITS.—
 21 The benefits include the full range and scope of ben-
 22 efits available under the original fee-for-service pro-
 23 gram under parts A and B of title XVIII.

24 “(2) PRESCRIPTION DRUG COVERAGE.—The
 25 benefits include coverage of prescription drugs at

1 least as comprehensive as the prescription drug cov-
 2 erage offered as of January 1, 2006, under the Blue
 3 Cross/Blue Shield Standard Plan provided under the
 4 Federal employees health benefits program under
 5 chapter 89 of title 5, United States Code (in this
 6 title referred to as ‘FEHBP’). Such coverage shall
 7 be administered in the same manner as other bene-
 8 fits under this section.

9 “(3) INCLUSION OF EPSDT.—The benefits in-
 10 clude benefits for early and periodic screening, diag-
 11 nostic, and treatment services (as defined in section
 12 1905(r)) for individuals who are under the age of
 13 21.

14 “(4) PARITY IN COVERAGE OF MENTAL HEALTH
 15 BENEFITS.—

16 “(A) IN GENERAL.—There shall not be any
 17 treatment limitations or financial requirements
 18 with respect to the coverage of benefits for
 19 mental illnesses unless comparable treatment
 20 limitations or financial requirements are im-
 21 posed on medical and surgical benefits. Nothing
 22 in this subparagraph shall be construed to re-
 23 quire coverage for mental health benefits that
 24 are not medically necessary or to prohibit the

appropriate medical management of such benefits.

“(B) RELATED DEFINITIONS.—For purposes of this paragraph—

“(i) FINANCIAL REQUIREMENTS.—

The term ‘financial requirements’ includes deductibles, coinsurance, co-payments, other cost-sharing, and limitations on the total amount that may be paid by an individual with respect to benefits and shall include the application of annual and lifetime limits.

“(ii) MENTAL HEALTH BENEFITS.—

The term ‘mental health benefits’ means benefits with respect to services for all categories of mental health conditions listed in the Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition (DSM IV–TR), or the most recent edition if different than the Fourth Edition, if such services are included as part of an authorized treatment plan that is in accordance with standard protocols and such services meet medical necessity criteria. Such term does not include benefits with respect to

1 the treatment of substance abuse or chem-
2 ical dependency.

3 “(iii) TREATMENT LIMITATIONS.—

4 The term ‘treatment limitations’ means
5 limitations on the frequency of treatment,
6 number of visits or days of coverage, or
7 other similar limits on the duration or
8 scope of treatment under the qualifying
9 health benefit plan.

10 “(5) PREVENTIVE SERVICES.—The benefits
11 shall include coverage of such additional preventive
12 health care items and services as the Secretary shall
13 specify, in consultation with the United States Pre-
14 ventive Services Task Force.

15 “(6) HOME AND COMMUNITY BASED SERV-
16 ICES.—The benefits shall include coverage of home
17 and community-based services described in section
18 1915(c)(4)(B).

19 “(7) ADDITIONAL BENEFITS.—The benefits
20 shall include such additional benefits that the Sec-
21 retary determines appropriate.

22 “(8) REVISION.—Nothing in this subsection
23 shall be construed as preventing the Secretary from
24 improving the benefit package from time to time to
25 account for changes in medical practice, new infor-

1 mation from medical research, and other relevant
2 developments in health science.

3 “(9) ADJUSTMENT AUTHORIZED.—The Sec-
4 retary shall, on a regular basis, evaluate whether
5 adding any of the benefits described in paragraphs
6 (1) through (7) is necessary or advisable to promote
7 the health of beneficiaries under the program under
8 title XVIII. The Secretary is authorized to improve
9 the benefits available under such program, based
10 upon such evaluation.

11 “(b) COST-SHARING.—

12 “(1) IN GENERAL.—Except as otherwise pro-
13 vided under this subsection or subsection (a)(4),
14 with respect to the benefits described in subsection
15 (a)(1), such benefits shall be subject to the cost-
16 sharing (in the form of deductibles, coinsurance, and
17 copayments) and premiums applicable under the
18 program described in such subsection.

19 “(2) PRESCRIPTION DRUG COVERAGE.—With
20 respect to the benefits described in subsection (a)(2),
21 such benefits shall be subject to the cost-sharing (in
22 the form of deductibles, coinsurance, and copay-
23 ments) applicable under the plan described in such
24 subsection.

1 “(3) TREATMENT OF PREVENTIVE AND ADDI-
 2 TIONAL SERVICES.—With respect to benefits de-
 3 scribed in paragraphs (5) and (7) of subsection (a),
 4 such benefits shall be subject to cost-sharing (in the
 5 form of deductibles, coinsurance, and copayments)
 6 that is consistent (as determined by the Secretary)
 7 with the cost-sharing applicable under paragraph
 8 (1).

9 “(4) TREATMENT OF EPSDT AND HOME AND
 10 COMMUNITY-BASED SERVICES.—With respect to ben-
 11 efits described in paragraphs (3) and (6) of sub-
 12 section (a), such benefits shall be subject to nominal
 13 cost-sharing (in the form of deductibles, coinsurance,
 14 and copayments) that is consistent (as determined
 15 by the Secretary) with the cost-sharing applicable to
 16 such services under section 1916 (as in effect on
 17 January 1, 2006).

18 “(5) REDUCTION IN COST-SHARING FOR LOW-
 19 INCOME INDIVIDUALS.—The Secretary shall provide
 20 for reduced cost-sharing for low-income individuals
 21 in a manner that is no less protective than the re-
 22 duced cost-sharing for individuals under section
 23 1902(a)(10)(E) (as in effect on January 1, 2006).

24 “(c) FREEDOM TO CHOOSE YOUR OWN DOCTOR AND
 25 HEALTH PLAN.—Except in the case of individuals who

1 elect enrollment in a private health plan under section
2 2204, the provisions of section 1802 shall apply under this
3 title.

4 “(d) PAYMENT SCHEDULE.—

5 “(1) IN GENERAL.—The Secretary, with the as-
6 sistance of the Medicare Payment Advisory Commis-
7 sion, shall develop and implement a payment sched-
8 ule for benefits covered under the program under
9 this title which are provided other than through pri-
10 vate health plans. To the extent feasible, such pay-
11 ment schedule shall be consistent with comparable
12 payment schedules and reimbursement methodolo-
13 gies applied to benefits provided under parts A and
14 B of title XVIII, except, that with respect to the
15 coverage of prescription drugs, the Secretary shall
16 provide for payment in accordance with a payment
17 schedule developed and implemented under the pre-
18 vious sentence.

19 “(2) ADDITIONAL PAYMENTS FOR QUALITY.—

20 The Secretary shall establish procedures to provide
21 reimbursement in addition to the reimbursement
22 under paragraph (1) to health care providers that
23 achieve measures (as established by the Secretary in
24 consultation with health care professionals and
25 groups representing eligible individuals) of health

1 care quality. The Secretary shall ensure that such
 2 measures include measures of appropriate use of
 3 health information technology.

4 “(e) APPLICATION OF BENEFICIARY PROTEC-
 5 TIONS.—The Secretary shall provide for protections of
 6 beneficiaries under the program under this title that are
 7 not less than the beneficiary protections provided under
 8 title XVIII, including appeal rights and limitations on bal-
 9 ance billing.

10 **“SEC. 2204. CHOICE OF COVERAGE UNDER PRIVATE**
 11 **HEALTH CARE DELIVERY SYSTEMS.**

12 “(a) IN GENERAL.—The Secretary shall provide a
 13 process for—

14 “(1) the offering of private health plans for the
 15 provision of benefits under the program under this
 16 title; and

17 “(2) the enrollment, disenrollment, termination,
 18 and change in enrollment of eligible individuals in
 19 such plans.

20 “(b) OFFERING OF PRIVATE HEALTH PLANS.—

21 “(1) IN GENERAL.—The Secretary shall enter
 22 into contracts with qualified entities for the offering
 23 of private health plans under the program under this
 24 title. In entering into such contracts the Secretary
 25 shall have the same authority that the Director of

1 the Office of Personnel Management has with re-
2 spect to health benefits plans under FEHBP.

3 “(2) REQUIREMENTS.—The Secretary shall not
4 enter into such a contract for the offering of a pri-
5 vate health plan under the program under this title
6 unless at least the following requirements are met:

7 “(A) BENEFITS AS GOOD AS YOUR CON-
8 GRESSMAN GETS.—Benefits under such plans
9 are not less than the benefits offered to Mem-
10 bers of Congress and Federal employees under
11 FEHBP. Such plans may provide health bene-
12 fits in addition to such required benefits and
13 may impose a premium for the provision of ben-
14 efits. Such plans may not provide for financial
15 payments or rebates to enrollees.

16 “(B) BENEFICIARY PROTECTIONS.—En-
17 rollees in such plans have beneficiary protec-
18 tions that are not less than the beneficiary pro-
19 tections applicable under this title to individuals
20 not so enrolled and shall include beneficiary
21 protections applicable under both FEHBP and
22 part C of title XVIII.

23 “(C) OTHER ADMINISTRATIVE REQUIRE-
24 MENTS.—The plans are subject to such require-
25 ments relating to licensure and solvency, protec-

1 tion against fraud and abuse, inspection, disclo-
 2 sure, periodic auditing, and administrative oper-
 3 ations and efficiencies as the Secretary identi-
 4 fies, taking into account similar requirements
 5 under FEHBP and part C of title XVIII.

6 “(c) ANNUAL OPEN ENROLLMENT.—The process
 7 under subsection (a)(2) shall provide for an annual open
 8 enrollment period in which individuals may enroll, and
 9 change or terminate enrollment, in private health plans
 10 in a manner similar to that provided under FEHBP as
 11 of January 1, 2006.

12 “(d) PAYMENT TO PRIVATE HEALTH PLANS.—

13 “(1) IN GENERAL.—In the case of an individual
 14 enrolled in a private health plan under this section
 15 for a month, the Secretary shall provide for payment
 16 of an amount equal to $\frac{1}{12}$ of the annual per capita
 17 amount (described in paragraph (2), as adjusted
 18 under paragraph (3)).

19 “(2) ANNUAL PER CAPITA AMOUNT.—The an-
 20 nual per capita amount under this paragraph shall
 21 be the annual average per capita cost of providing
 22 benefits under the program under this title (includ-
 23 ing both individuals enrolled and not enrolled under
 24 private health plan), as computed by the Secretary

1 based on rules similar to the rules described in sec-
 2 tion 1876(a)(4).

3 “(3) RISK-ADJUSTMENT.—In making payment
 4 under this subsection, the Secretary shall apply risk
 5 adjustment factors similar to those applied to pay-
 6 ments to Medicare Advantage organizations under
 7 section 1853, except that the Secretary shall ensure
 8 that payments under this subsection are adjusted
 9 based on such factors to ensure that the health sta-
 10 tus of the enrollee is reflected in such adjusted pay-
 11 ments, including adjusting for the difference between
 12 the health status of the enrollee and individuals re-
 13 ceiving benefits under the program under this title
 14 who are not so enrolled. Payments under this sub-
 15 section must, in aggregate, reflect such differences.

16 “(e) REQUIREMENTS FOR FEHBP CARRIERS.—
 17 Each contract entered into or renewed under section 8902
 18 of title 5, United States Code, shall require the carrier
 19 to offer a plan under this section on similar terms and
 20 conditions to the plan offered by the carrier under
 21 FEHBP.

22 **“SEC. 2205. MEDICARE FOR ALL TRUST FUND.**

23 “(a) ESTABLISHMENT OF TRUST FUND.—There is
 24 hereby created on the books of the Treasury of the United
 25 States a trust fund to be known as the ‘Medicare for All

1 Trust Fund’ (in this section referred to as the ‘Trust
 2 Fund’). The Trust Fund shall consist of such gifts and
 3 bequests as may be made as provided in section 201(i)(1),
 4 and such amounts as may be deposited in, or appropriated
 5 to, such fund as provided in this part.

6 “(b) TRANSFERS TO TRUST FUND.—There are here-
 7 by appropriated to the Medicare for All Trust Fund, out
 8 of any moneys in the Treasury not otherwise appropriated,
 9 amounts equivalent to—

10 “(1) the taxes received in the Treasury under
 11 sections 1401(c), 3101(c), and 3111(c) of the Inter-
 12 nal Revenue Code of 1986;

13 “(2) such portion of the taxes received in the
 14 Treasury under section 3201 as are attributable to
 15 the rate specified in section 3101(c) of such Code;

16 “(3) such portion of the taxes received in the
 17 Treasury under section 3211 of such Code as are at-
 18 tributable to the sum of the rates specified in section
 19 3101(c) and 3111(c) of such Code; and

20 “(4) such portion of the taxes received in the
 21 Treasury under section 3221 as are attributable to
 22 the rate specified in section 3111(c) of such Code.

23 The amounts appropriated by the preceding sentence shall
 24 be transferred from time to time from the general fund
 25 in the Treasury to the Trust Fund, such amounts to be

1 determined on the basis of estimates by the Secretary of
 2 the Treasury of the taxes, specified in the preceding sen-
 3 tence, paid to or deposited into the Treasury, and proper
 4 adjustments shall be made in amounts subsequently trans-
 5 ferred to the extent prior estimates were in excess of or
 6 were less than the taxes specified in such sentence.

7 “(c) INCORPORATION OF PROVISIONS.—

8 “(1) IN GENERAL.—Subject to paragraph (2),
 9 subsections (b) through (i) of section 1817 shall
 10 apply with respect to the Trust Fund and this title
 11 in the same manner as they apply with respect to
 12 the Federal Hospital Insurance Trust Fund and
 13 part A of title XVIII, respectively.

14 “(2) MISCELLANEOUS REFERENCES.—In apply-
 15 ing provisions of section 1817 under paragraph
 16 (1)—

17 “(A) any reference in such section to ‘this
 18 part’ is construed to refer to this title;

19 “(B) any reference to taxes referred to in
 20 subsection (a) of such section shall be construed
 21 to refer to the taxes referred to in subsection
 22 (b) of this section; and

23 “(C) the Board of Trustees of the Medi-
 24 care for All Trust Fund shall be the same as

1 the Board of Trustees of the Federal Hospital
2 Insurance Trust Fund.

3 **“SEC. 2206. ADMINISTRATION.**

4 “Except as otherwise provided in this title—

5 “(1) the Secretary shall enter into appropriate
6 contracts with providers of services, other health
7 care providers, and medicare administrative contrac-
8 tors, taking into account the types of contracts used
9 under title XVIII with respect to such entities, to
10 administer the program under this title;

11 “(2) benefits described in section 2203 that are
12 payable under the program under this title to such
13 individuals shall be paid in a manner specified by
14 the Secretary (taking into account, and based to the
15 greatest extent practicable upon, the manner in
16 which they are provided under title XVIII); and

17 “(3) provider participation agreements under
18 title XVIII shall apply to enrollees and benefits
19 under the program under this title in the same man-
20 ner as they apply to enrollees and benefits under the
21 program under title XVIII.”.

22 (b) CONFORMING AMENDMENTS TO SOCIAL SECU-
23 RITY ACT PROVISIONS.—

24 (1) Section 201(i)(1) of the Social Security Act
25 (42 U.S.C. 401(i)(1)) is amended—

1 (A) by striking “or the Federal Supple-
 2 mentary ” and inserting “the Federal Supple-
 3 mentary”; and

4 (B) by inserting “or the Medicare for All
 5 Trust Fund” after “such Trust Fund”).

6 (2) Section 201(g)(1)(A) of such Act (42
 7 U.S.C. 401(g)(1)(A)) is amended by striking “and
 8 the Federal Supplementary Medical Insurance Trust
 9 Fund established by title XVIII” and inserting “,
 10 the Federal Supplementary Medical Insurance Trust
 11 Fund established by title XVIII, and the Medicare
 12 for All Trust Fund established under title XXII”.

13 (c) MAINTENANCE OF MEDICAID ELIGIBILITY AND
 14 BENEFITS.—In order for a State to continue to be eligible
 15 for payments under section 1903(a) of the Social Security
 16 Act (42 U.S.C. 1396b(a)) the State may not reduce stand-
 17 ards of eligibility or benefits provided under its State Med-
 18 icaid plan under title XIX of the Social Security Act below
 19 such standards of eligibility and benefits in effect on the
 20 date of the enactment of this Act.

21 **SEC. 3. FINANCING THROUGH EMPLOYMENT TAX.**

22 (a) TAX ON EMPLOYEES.—Section 3101 of the Inter-
 23 nal Revenue Code of 1986 is amended by redesignating
 24 subsection (c) as subsection (d) and by inserting after sub-
 25 section (b) the following new subsection:

1 “(c) MEDICARE FOR ALL.—In addition to other
 2 taxes, there is hereby imposed on the income of every indi-
 3 vidual a tax equal to 1.7 percent of the wages (as defined
 4 in section 3121(a)) received by him with respect to em-
 5 ployment (as defined in section 3121(b)).”.

6 (b) TAX ON EMPLOYERS.—Section 3111 of such
 7 Code is amended by redesignating subsection (c) as sub-
 8 section (d) and by inserting after subsection (b) the fol-
 9 lowing new subsection:

10 “(c) MEDICARE FOR ALL.—In addition to other
 11 taxes, there is hereby imposed on every employer an excise
 12 tax, with respect to having individuals in his employ, equal
 13 to 7 percent of the wages (as defined in section 3121(a))
 14 paid by him with respect to employment (as defined in
 15 section 3121(b)).”.

16 (c) TAX ON SELF-EMPLOYMENT.—Section 1401 of
 17 such Code is amended by redesignating subsection (c) as
 18 subsection (d) and by inserting after subsection (b) the
 19 following new subsection:

20 “(c) MEDICARE FOR ALL.—In addition to other
 21 taxes, there shall be imposed for each taxable year, on the
 22 self-employment income of every individual, a tax equal
 23 to the applicable percent of the self-employment income
 24 for such taxable year. For purposes of the preceding sen-
 25 tence, the applicable percent is a percent equal to the sum

1 of the percent described in section 3101(c) plus the per-
 2 cent described in section 3111(c).”.

3 (d) RAILROAD RETIREMENT TAX.—

4 (1) TAX ON EMPLOYEES.—Section 3201(a) of
 5 such Code is amended by striking “subsections (a)
 6 and (b) of section 3101” and inserting “subsections
 7 (a), (b), and (c) of section 3101”.

8 (2) TAX ON EMPLOYEE REPRESENTATIVES.—
 9 Section 3211(a) of such Code is amended by striking
 10 “subsections (a) and (b) of section 3101 and sub-
 11 sections (a) and (b) of section 3111” and inserting
 12 “subsections (a), (b), and (c) of section 3101 and
 13 subsections (a), (b), and (c) of section 3111”.

14 (3) TAX ON EMPLOYERS.—Section 3221(a) of
 15 such Code is amended by striking “subsections (a)
 16 and (b) of section 3111” and inserting “subsections
 17 (a), (b), and (c) of section 3111”.

18 (4) DETERMINATION OF CONTRIBUTION
 19 BASE.—Clause (iii) of section 3231(e)(2)(A) is
 20 amended to read as follows:

21 “(iii) HOSPITAL INSURANCE AND
 22 MEDICARE FOR ALL TAXES.—Clause (i)
 23 shall not apply to—

24 “(I) so much of the rate applica-
 25 ble under section 3201(a) or 3221(a)

1 as does not exceed the sum of the
 2 rates of tax in effect under sub-
 3 sections (b) and (c) of section 3101,
 4 and

5 “(II) so much of the rate applica-
 6 ble under section 3211(a) as does not
 7 exceed the sum of the rates of tax in
 8 effect under subsections (b) and (c) of
 9 section 1401.”.

10 (e) APPLICATION OF TAX TO FEDERAL, STATE, AND
 11 LOCAL EMPLOYMENT.—Paragraphs (1) and (2) of section
 12 3121(u) and section 3125(a) of such Code are each
 13 amended by striking “sections 3101(b) and 3111(b)” and
 14 inserting “subsections (b) and (c) of section 3101 and sub-
 15 sections (b) and (c) of section 3111”.

16 (f) CONFORMING AMENDMENTS.—

17 (1) Section 1402(a)(12)(B) of such Code is
 18 amended by striking “subsections (a) and (b) of sec-
 19 tion 1401” and inserting “subsections (a), (b), and
 20 (c) of section 1401”.

21 (2) Section 3121(q) of such Code is amended
 22 by striking “subsections (a) and (b) of section
 23 3111” and inserting “subsections (a), (b), and (c) of
 24 section 3111”.

1 (3) The last sentence of section 6051(a) of such
2 Code is amended by striking “sections 3101(c) and
3 3111(c)” and inserting “sections 3101(d) and
4 3111(d)”.

5 (g) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to wages paid and self-employment
7 income derived on or after January 1 of the year following
8 the date of the enactment of this Act.

○